



## Department of Energy

Washington, DC 20585

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### MEMORANDUM TO DISTRIBUTION

FROM: BRUCE M. CARNES  
DIRECTOR, OFFICE OF MANAGEMENT, BUDGET  
AND EVALUATION / CHIEF FINANCIAL OFFICER

SUBJECT: ACCOUNTABILITY FOR STRATEGIC MANAGEMENT  
OF HUMAN CAPITAL

You recently received the Deputy Secretary's memorandum announcing a new program entitled the Human Capital Management Improvement Program (HCMIP). The program will be used to improve the effectiveness of the Department's actions toward the strategic management of our human capital, one of the five elements in the President's Management Agenda (PMA).

Just as all senior executives' performance plans now reflect individual accountability for implementation of PMA initiatives, HCMIP will respond to organizational accountability requirements. By tracking organizational accountability, we can target our weaknesses, measure our improvements and share our successes.

This memorandum transmits to you the HCMIP tracking instrument, "Standards For Success: Measuring, Improving and Reporting on Human Capital Management." Instructions for applying the Standards For Success and data to assist you in targeting and supporting accountability strategies will be provided under separate cover by the Office of Human Resources Management.

Each Headquarters element and its field activities, as well as each Power Marketing Administration, will provide a six-month status report and an annual report on its progress and accomplishments in human capital management. By using the attached assessment and accountability framework as a common mechanism for setting baselines and for measuring improvements, organizations can benchmark one another and DOE as a whole can report corporately on its accomplishments, especially as human capital management links with and supports the other components in the President's Management Agenda. The program will prove invaluable for your managers, as they fulfill their accountability requirements, and for DOE as it "gets to green" on the PMA scorecard.

Attachment: Standards For Success



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# **HUMAN CAPITAL MANAGEMENT IMPROVEMENT PROGRAM**

## **STANDARDS FOR SUCCESS: MEASURING, IMPROVING, AND REPORTING ON HUMAN CAPITAL MANAGEMENT**

### **STANDARD 1:      STRATEGIC ALIGNMENT**

#### **Success Factor A:      Human Capital Focus**

Does the element's strategic plan establish an element-wide vision that guides human capital planning and activities?

Does the element have a system in place to continually assess and improve human capital planning and its impact on mission accomplishment?

Does the element have a strategic human capital plan or other strategic human capital planning documents that outline human capital strategies that directly support element mission accomplishment?

Are managers held accountable for effective implementation of human capital plans and overall human capital management?

### **STANDARD 2:      WORKFORCE PLANNING AND DEPLOYMENT**

#### **Success Factor A:      Workforce Planning**

Does the element base workforce decisions on mission needs and customer expectations?

Are workforce strategies based on identified current and future human capital needs, including size and deployment of the workforce and the competencies needed to carry out the mission?

Does the element effectively address statutory requirements of structure and mission and deal effectively with obstacles (e.g., administrative, physical, or cultural) to restructuring efforts?

Success Factor B:     Workforce Deployment

Are human capital deployment strategies based on analyses of mission, goals, customer requirements, workload and workforce?

Do the human capital strategies target excess organizational layers (vertical) or redundant operations (horizontal) to eliminate unwarranted duplication and layers that do not provide value-added results?

Has the element redirected supervisory positions to line functions to better meet customer needs?

Success Factor C:     Alignment with President's Management Agenda

Do human capital strategies use technology solutions to improve service delivery?

Does the element regularly review its functions and services for best source of delivery (e.g., in house, privatized, outsourced, or eliminated)?

Success Factor D:     Employee-Management Relations

Do labor-management practices enhance the way in which the element conducts business, establishes expectations for employees, and meets the element's mission while meeting all requirements of the labor-management relations statute?

Do managers, employee representatives, and employees work together to accomplish the element's mission?

**STANDARD 3:     LEADERSHIP and DIVERSITY**

Success Factor A:     Leadership Planning and Implementation (SES, managers, and supervisors)

Does the element ensure continuity of leadership through succession planning?

Success Factor B:     Change Management and Modeling

Do element leaders establish a clear vision for change and make necessary commitments to achieve results?

Do element leaders promote ethical behavior through modeling, communication, training, accountability systems, and disclosure mechanisms?

Are leaders generating high levels of motivation and commitment in the workforce?

Success Factor C:     Diversity

Does the element have a workforce diversity management program?

Is the element responsive to the needs of diverse groups?

**STANDARD 4:     KNOWLEDGE MANAGEMENT**

Success Factor A:     Strategic Knowledge Management

Is there a strategic knowledge management effort in place within the element?

Are employees making the best use of information technology to perform their work and to gather and share knowledge?

Success Factor B:     Continuous Learning and Improvement

Is there a culture of continuous learning and employee development within the element?

Do training and development strategies and initiatives support development of individual, team, and organizational competencies linked to the element's mission?

Does the element utilize learning technology and other alternative learning strategies to address the training and development needs of the workforce?

Can the element determine the impact of investment in continuous learning and development on individual performance and mission accomplishment?

**STANDARD 5:     PERFORMANCE CULTURE**

Success Factor A:     Performance Management

Is the element's strategic plan shared with and accessible to employees?

Is there a direct line between employee performance expectations and recognition systems and the element's mission, and is that line communicated and understood?

Has the element created a "reward environment" that recognizes factors beyond compensation and benefits that impact attraction, retention, and motivation?

Are performance expectations understood?

Does the element's performance management program provide for differentiation between high and low performance?

Do supervisors and managers use performance results to identify developmental needs and address poor performance?

**STANDARD 6:      TALENT**

**Success Factor A:      Workforce Analysis**

Does the element identify mission critical occupations and competencies?

Does the element conduct business forecasting to determine what changes are expected in the work of the element (e.g., due to change in mission/goals, technology, new/terminated programs or functions, and outsourcing) and how these changes will affect the element's workforce?

Does the element develop and use recruitment and retention strategies to close anticipated workforce competency gaps?

**Success Factor B:      Competition for Talent**

Are element leaders and managers involved in strategic recruitment initiatives?

Are recruitment strategies appropriately aggressive and multi-faceted?

Does the element address problems of under-representation in the work force?

Are element leaders and human resources professionals reviewing recruitment and hiring programs to ensure fair hiring and placement actions?

Does the element use flexible compensation strategies to attract and retain quality employees and if so, does it evaluate the results?

Does the element provide work/life flexibilities, facilities, services and programs to make the element an attractive place to work; if so, does the element evaluate employee use and success of these programs as incentives?

Are human capital approaches assessed with respect to the agency's ability to attract, acquire, and retain quality talent?